

RESOLUTION 03-06

A RESOLUTION OF THE TOWN OF NOLENSVILLE, TENNESSEE TO URGE THE GOVERNOR AND EACH MEMBER OF THE TENNESSEE GENERAL ASSEMBLY TO LEAVE INTACT THE SYSTEM OF REVENUE SHARING.

WHEREAS, the State of Tennessee is experiencing lower than expected tax collections and higher than expected increases in costs; and

WHEREAS, Governor Phil Bredesen has proposed a fiscal year 2003-2004 budget that includes estimated growth in revenues of \$242 million, new spending of \$629 million, state government budget cuts of \$237 million, cuts in dedicated transportation revenues of \$65.8 million, cuts in state-shared taxes of \$60.7 million; and other cuts, reductions, and revenue redirections; and,

WHEREAS, Tennessee's local governments are experiencing lower than expected tax collections and higher than expected increases in costs in the same manner as Tennessee state government; and,

WHEREAS, state-shared tax revenues are a critical funding source for local governments; and,

WHEREAS, state-shared tax revenues are a critical and necessary to maintain stable bond ratings; and,

WHEREAS, state-shared tax revenues do not represent state spending, but, instead, represent an efficient, centralized system to taxation to produce revenues for multiple levels of governments; and,

WHEREAS, state-shared tax revenues, by law, are deemed to meet constitutional requirements for state mandate funding; and,

WHEREAS, state-shared tax revenue losses could result in local property tax increases, reductions in local government services, or a combination of tax increases and service reductions; and,

WHEREAS, residents, businesses, and community organizations of the Town of Nolensville deserve, demand, and depend upon essential municipal services; and,

WHEREAS, the services provided by the Town of Nolensville have fostered and maintained a high quality of life for residents, a favorable business environment, and a strong community spirit; and,

WHEREAS, Tennessee's local governments, which are already experiencing local budget problems, recognize the seriousness and importance of the state's budget problem; and,

NOW THEREFORE BE IT RESOLVED, that the Town of Nolensville urges the Governor and each member of the Tennessee General Assembly to propose, support and remain open to options and alternatives to leave intact our system of revenue sharing, or, at a minimum, to reduce the magnitude of proposed state-shared tax reductions.

BE IT FURTHER RESOLVED that the Town of Nolensville urges the Governor and each member of the Tennessee General Assembly to propose, support, and remain open to options and alternatives to reduce the detrimental effect of any reductions in state-shared taxes.

Charles F. Knapper, Mayor

Cindy Lancaster, Town Recorder

Passed: _____